

25:2-31

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2002 **CHAPTER:** 100
NJSA: 25:2-31 (Statutes of limitations-fraudulent conveyance)
BILL NO: A2298

SPONSOR(S): Cohen and Cryan

DATE INTRODUCED: May 9, 2002

COMMITTEE: **ASSEMBLY:** Banking and Insurance

SENATE: Commerce

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** June 13, 2002

SENATE: September 30, 2002

DATE OF APPROVAL: November 18, 2002

FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (Original version of bill enacted)

A2298

[SPONSORS STATEMENT](#): (Begins on page 2 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** [Yes](#)

SENATE: [Yes](#)

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or

<mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

P.L. 2002, CHAPTER 100, *approved November 18, 2002*
Assembly, No. 2298

1 **AN ACT** concerning the statute of limitations for fraudulent
2 conveyance actions and amending R.S.25:2-31.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. R.S.25:2-31 is amended to read as follows:
8 25:2-31. Extinguishment of cause of action.

9 A cause of action with respect to a fraudulent transfer or obligation
10 under this article is extinguished unless action is brought:

11 a. Under subsection a. of R.S.25:2-25, within four years after the
12 transfer was made or the obligation was incurred or, if later, within
13 one year after the transfer or obligation was [or could reasonably have
14 been] discovered by the claimant;

15 b. Under subsection b. of R.S.25:2-25 or subsection a. of
16 R.S.25:2-27, within four years after the transfer was made or the
17 obligation was incurred; or

18 c. Under subsection b. of R.S.25:2-27, within one year after the
19 transfer was made or the obligation was incurred.
20 (cf: P.L.1988, c.74, s.1)

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22 2. This act shall take effect immediately.

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24

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STATEMENT

26

27 This bill provides that the one year of statute of limitations for
28 certain fraudulent transfers runs from the time a creditor actually
29 discovers a fraudulent conveyance, rather than when a creditor "could
30 reasonably" have discovered the fraudulent conveyance, and thus
31 eliminates the need to conduct unnecessary annual asset searches
32 during the term of every loan that goes into default.

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37 Modifies statute of limitations pertaining to fraudulent conveyance
38 actions.

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

ASSEMBLY, No. 2298

STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED MAY 9, 2002

Sponsored by:

Assemblyman NEIL M. COHEN

District 20 (Union)

Assemblyman JOSEPH CRYAN

District 20 (Union)

SYNOPSIS

Modifies statute of limitations pertaining to fraudulent conveyance actions.

CURRENT VERSION OF TEXT

As introduced.



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2 conveyance actions and amending R.S.25:2-31.

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Matter underlined thus is new matter.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2298

STATE OF NEW JERSEY

DATED: MAY 16, 2002

The Assembly Banking and Insurance Committee reports favorably
Assembly Bill No. 2298.

This bill provides that the one-year statute of limitations for certain
fraudulent transfers runs from the time a creditor actually discovers a
fraudulent conveyance, rather than when a creditor "could reasonably"
have discovered the fraudulent conveyance, and thus eliminates the
need to conduct annual asset searches during the term of every loan
that goes into default.

SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2298

STATE OF NEW JERSEY

DATED: SEPTEMBER 19, 2002

The Senate Commerce Committee reports favorably Assembly Bill No. 2298.

This bill provides that the one-year statute of limitations for certain fraudulent transfers runs from the time a creditor actually discovers a fraudulent conveyance, rather than when a creditor "could reasonably" have discovered the fraudulent conveyance, and thus eliminates the need to conduct annual asset searches during the term of every loan that goes into default.